

# INTERVENTION



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2014 JUL 10 A 11: 12

ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

**ORIGINAL**

July 9, 2014

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Arizona Corporation Commission  
**DOCKETED**

JUL 10 2014

DOCKETED BY	
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Re: Docket No. WS-01303A-14-0010

To Whom It May Concern,

Enclosed please find the original and thirteen (13) copies of the Town of Paradise Valley's Application to Intervene in the above-captioned docket. Please file and return an endorsed copy to us in the enclosed self-addressed, stamped envelope. Thank you for your assistance.

Sincerely,

Diane Wayland  
Legal Support Specialist  
Town Attorney's Office

AMM/dlw  
enclosures

## BEFORE THE ARIZONA CORPORATION COMMISSION

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2014 JUL 10 A 11:12

AZ CORP COMMISSION  
DOCKET CONTROLCOMMISSIONERS

BOB STUMP - Chairman

GARY PIERCE

BRENDA BURNS

BOB BURNS

SUSAN BITTER SMITH

IN THE MATTER OF THE APPLICATION )  
 OF EPCOR WATER ARIZONA INC., )  
 AN ARIZONA CORPORATION, FOR A ) DOCKET NO. WS-01303A-14-0010  
 DETERMINATION OF THE CURRENT )  
 FAIR VALUE OF ITS UTILITY PLANT )  
 AND PROPERTY AND FOR INCREASES )  
 IN ITS RATES AND CHARGES FOR )  
 UTILITY SERVICE BY ITS MOHAVE )  
 WATER DISTRICT, PARADISE VALLEY )  
 WATER DISTRICT, SUN CITY WATER )  
 DISTRICT, TUBAC WATER DISTRICT, )  
 AND MOHAVE WASTEWATER )  
 DISTRICT.

## TOWN OF PARADISE VALLEY'S APPLICATION TO INTERVENE

The Town of Paradise Valley (the "Town"), hereby moves the Arizona Corporation Commission ("Commission") for leave to intervene in the above-captioned proceeding pursuant to A.A.C. R14-3-105. This motion is supported by the following facts and information:

1. On January 10, 2014, EPCOR Water Arizona (EPCOR) filed a case with the Arizona Corporation Commission requesting a rate increase for its Mohave Water District, Sun City Water District, Tubac Water District, Mohave Wastewater District and Sun City Wastewater District, that case being designated as Arizona Corporation Commission ("ACC") Docket No. WS-01303A-14-0010 (Rate Case);

2. On March 19, 2014, EPCOR filed a Notice of Errata to include Paradise Valley Water District in the Rate Case as part of Docket No. WS-01303A-14-0010;

1           3.     The Town of Paradise Valley is a customer and ratepayer within EPCOR's  
2 Paradise Valley Water District and desires to have its attorneys intervene in the Rate Case and  
3 monitor the filings, proceedings, and hearings in the Rate Case to determine the impacts of the  
4 proposed rates on the Town and its residents;

5           4.     EPCOR's requested rate increase in the Rate Case for the Paradise Valley District  
6 has been specified to be approximately 9.85% based on information submitted to the Town by  
7 EPCOR officials (see Exhibit A attached hereto, Town of Paradise Valley Resolution No. 1309);

8           5.     Provided that the rate increase requested by EPCOR in the Paradise Valley Rate  
9 Case remains as stated in Exhibit A, the Town's attorneys will testify or otherwise aver that the  
10 Town Council is not opposed to the proposed rate increase.

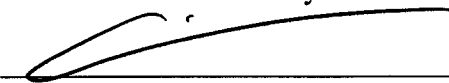
11          6.     The name, address, telephone number, facsimile number and e-mail address of the  
12 attorney for the Town, upon whom service of all documents are to be made are:

13                 Andrew M. Miller  
14                 Town Attorney  
15                 6401 E. Lincoln Drive  
16                 Paradise Valley, AZ 85253  
17                 Phone: (480) 348-3691  
18                 Facsimile: (480) 596-3790  
19                 E-mail: [amiller@paradisevalleyaz.gov](mailto:amiller@paradisevalleyaz.gov)

20                 WHEREFORE, the Town requests that the Commission grant its motion to intervene in  
21 the above-captioned proceeding.

22                 Respectfully submitted this 9<sup>th</sup> day of July, 2014.

23                                 Town of Paradise Valley

24                                 

25                                 \_\_\_\_\_  
26                                 Andrew M. Miller, Town Attorney  
27                                 6401 E. Lincoln Drive  
28                                 Paradise Valley, AZ 85253  
29                                 Attorney for Town of Paradise Valley

1 ORIGINAL and thirteen (13) copies  
2 of the foregoing were filed  
3 this 9<sup>th</sup> day of July, 2014

4  
5 Docket Control  
6 Arizona Corporation Commission  
7 1200 West Washington Street  
8 Phoenix, Arizona 85007

9  
10 COPY of the foregoing was mailed this  
11 9<sup>th</sup> day of July, 2014, to:

12  
13 Jay L. Shapiro  
14 Todd C. Whiley  
15 2394 E. Camelback Road, Suite 600  
16 Phoenix, Arizona 85016

17  
18 Dwight D. Nodes, Assistant Chief Administrative Law Judge  
19 Arizona Corporation Commission  
20 1200 West Washington Street  
21 Phoenix, Arizona 85007

22  
23 Janice Alward  
24 Arizona Corporation Commission  
25 1200 West Washington Street  
26 Phoenix, Arizona 85007

27  
28 Steven Olea, Director  
29 Utilities Division  
30 Arizona Corporation Commission  
31 1200 West Washington St.  
32 Phoenix, Arizona 85007

33  
34 Lyn Farmer  
35 Arizona Corporation Commission  
36 1200 West Washington Street  
37 Phoenix, Arizona 85007

38  
39 Daniel Pozefsky  
40 Residential Utility Consumer Office  
41 1110 West Washington Street, Suite 220  
42 Phoenix, Arizona 85007

43  
44 Coash & Coash  
45 1802 N. 7<sup>th</sup> Street  
46 Phoenix, Arizona 85006

1 Marshall Magruder  
2 PO Box 1267  
3 Tubac, Arizona 85646

4  
5  
6 By: Diane Sayland

**RESOLUTION NUMBER 1309**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PARADISE VALLEY, ARIZONA, AUTHORIZING AND DIRECTING THE FILING OF A MOTION TO INTERVENE AS AN INTERESTED PARTY IN THE MATTER OF THE APPLICATION OF EPCOR WATER ARIZONA, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES FOR UTILITY SERVICE BY ITS PARADISE VALLEY WATER DISTRICT, DOCKET NO. WS-01303A-0010**

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF PARADISE VALLEY, ARIZONA THAT:

WHEREAS, on January 10, 2014, EPCOR Water Arizona (EPCOR) filed a case with the Arizona Corporation Commission requesting a rate increase for its Mohave Water District, Sun City Water District, Tubac Water District, Mohave Wastewater District and Sun City Wastewater District, that case being designated as Arizona Corporation Commission ("ACC") Docket No. WS-01303A-14-0010 (the "Rate Case");

WHEREAS, on March 19, 2014, EPCOR filed a Notice of Errata to include Paradise Valley Water District in the Rate Case as part of Docket No. WS-01303A-14-0010.

WHEREAS, the Town of Paradise Valley ("Town") is a customer and rate payer within EPCOR's Paradise Valley Water District and desires to have its attorneys intervene in the Rate Case and monitor the filings, proceedings, and hearings in the Rate Case to determine the impacts of the proposed rates on the Town and its residents; and

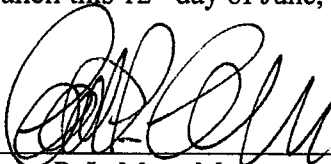
WHEREAS, EPCOR's requested rate increase in the Rate Case for the Paradise Valley District has been specified to be approximately 9.85% based on information submitted to the Town by EPCOR officials (see Exhibit A attached hereto); and

WHEREAS, provided that the rate increase requested by EPCOR in the PV Rate Case remains as stated in Exhibit A, the Town's attorneys will testify or otherwise aver that the Town Council is not opposed to the proposed rate increase.


NOW, THEREFORE, BE IT RESOLVED, that the Town Attorney is authorized to file a motion to intervene in the PV Rate Case;

FURTHER RESOLVED, that the Town Attorney is authorized and directed to report back to the Town Council on the progress and filings in the PV Rate Case and to testify or otherwise aver that the Town Council is not opposed to the proposed rate increase.


PASSED AND ADOPTED by the Town Council this 12<sup>th</sup> day of June, 2014.

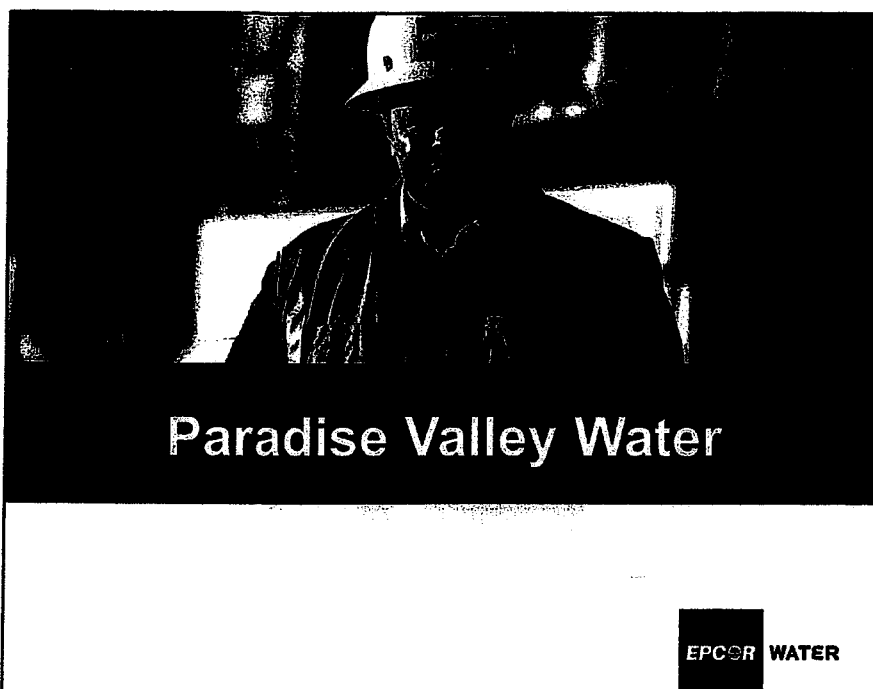
  
\_\_\_\_\_  
Scott P. LeMarr, Mayor

ATTEST:

  
\_\_\_\_\_  
Duncan Miller, Town Clerk

APPROVED AS TO FORM

  
\_\_\_\_\_  
Andrew M. Miller, Town Attorney



## Paradise Valley System

The Paradise Valley water system includes:

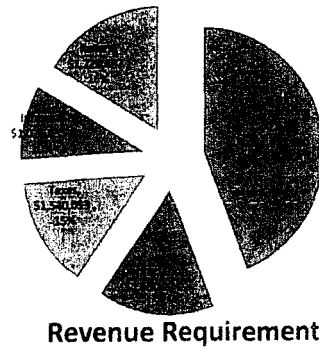
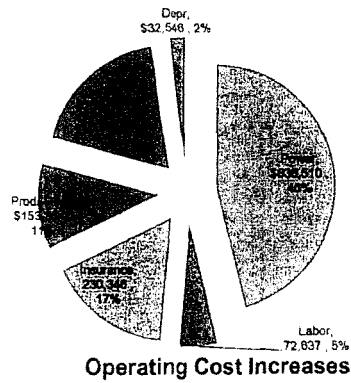
- 4,862 water connections, 2 water plants, 31 booster pumps, 11 storage tanks, 7 drinking water wells, 8 pump stations, 129 miles of distribution system, 18 MGD peak summer and 6-6.5 MGD peak winter

	2007	2013
Gross Utility Plant in Service (\$ Millions)	\$ 59.6	\$ 73.4
Net Utility Plant in Service (\$ Millions)	\$ 47.6	\$ 50.4
Total Rate Base (\$ Millions)	\$ 37.1	\$ 40.1
Current Revenue		\$9,648,251
Requested Revenue		\$10,599,025
Increase	\$950,774	9.85%

EPCOR WATER



## Cost & Revenue Increase



**EPCOR** WATER

## Impact to Customers

Meter Size / Customer %	Average Usage (Kgals)	Current Average Bill	Proposed Bill	\$ Change	% Change
<b>Residential</b>					
5/8 x 3/4" (44%)	19.271	\$52.30	\$57.36	\$5.06	9.67%
1" (41%)	55.4	\$165.40	\$181.45	\$16.05	9.70%
<b>Commercial</b>					
5/8 x 3/4" 1.4%)	6.843	\$38.49	\$42.21	\$3.72	9.65%
1" (1.5%)	72.975	\$192.60	\$211.31	\$18.70	9.71%
2" (3%)	236.295	\$601.62	\$660.06	\$58.45	9.71%

**EPCOR** WATER